



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

**Region 6**

**1445 Ross Avenue, Suite 1200**

**Dallas, TX 75202-2733**

May 5, 2014

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street NE, Room 1A  
Washington, DC 20426

RE: Draft Environmental Impact Statement (DEIS) for Freeport LNG Liquefaction Project  
Phase II Modification in Brazoria County, Texas

Dear Ms. Bose:

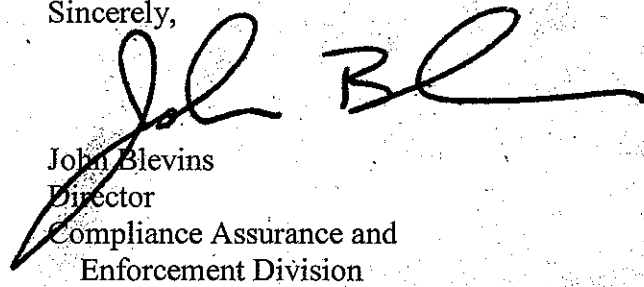
In accordance with our responsibilities under Section 309 of the Clean Air Act (CAA), the National Environmental Policy Act (NEPA), and the Council on Environmental Quality (CEQ) regulations for implementing NEPA, the U.S. Environmental Protection Agency (EPA) regional office in Dallas, Texas has completed its review of the Federal Energy Regulatory Commission (FERC) DEIS for Freeport LNG Liquefaction Project Phase II Modification in Brazoria County, Texas. The proposed Phase II Modification Project includes modification to the previously authorized LNG vessel berthing dock, LNG transfer pipelines, LNG unloading arms, and the access road system. The Liquefaction Plant would consist of three propane pre-cooled mixed refrigerant liquefaction trains which are each capable of producing 4.4 million metric tons per annum for export.

Based on our review, we have rated the DEIS as "Environmental Concerns and Insufficient Information" (EC-2). Additional information on EPA's rating system can be found at <http://www.epa.gov/compliance/nepa/comments/ratings.html>. Our rating is based on the need for additional analysis regarding environmental justice and surrounding communities, indirect effects, and wetlands. We have enclosed detailed comments that identify our concerns and recommendations for additional analysis in the Final EIS (FEIS).

EPA appreciates the opportunity to review the DEIS. Please note that a copy of this letter will be published on our website, <http://www.epa.gov/compliance/nepa/eisdata.html>, in order to fulfill our responsibility under Section 309 of the CAA to inform the public of our views on the proposed Federal action. Please send our office one copy of the FEIS when it is filed using our *e-NEPA Electronic Filing System* (<http://www.epa.gov/compliance/nepa/submiteis/index.html>).

If you have any questions or concerns, please contact Rhonda Smith or Kimeka Price of my staff at (214) 665-8006 or (214) 665-7438 or via email at [smith.rhonda@epa.gov](mailto:smith.rhonda@epa.gov) or [price.kimeka@epa.gov](mailto:price.kimeka@epa.gov) respectively for assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Blevins', is written over the typed name and title.

John Blevins  
Director  
Compliance Assurance and  
Enforcement Division

Enclosure

**DETAILED COMMENTS  
ON THE  
FEDERAL ENERGY REGULATORY COMMISSION  
DRAFT ENVIRONMENTAL IMPACT STATEMENT  
FOR  
FREEPORT LNG LIQUEFACTION PROJECT  
PHASE II MODIFICATION  
IN BRAZORIA CONUTY, TEXAS**

The following comments are offered for FERC's consideration in preparation of the FEIS:

**Environmental Justice and Surrounding Communities**

The DEIS does not provide consistent analysis on surrounding communities to determine if low-income or minority populations will be impacted by this project. For example, on page 4-131, the DEIS states "[a]s shown in table 4.8.7-1, in terms of minority representation, the communities in the immediate vicinity of the proposed project do not show any fundamental characteristics that would differentiate them from Brazoria County or the State of Texas as a whole." This statement appears to be inaccurate since Table 4.8.7-1 shows the City of Freeport has a 59.9% Hispanic population and Table 4.8.7-2 shows populations within 0.5 miles of the liquefaction plant has a 32.9% - 63.4% minority population. The data in these tables do not support the statement on page 4-131.

Also, according to Table 4.8.7-1, the town of Quintana has a minority population of 0%. However, the publicly-available EPA EJView<sup>1</sup> tool indicates that the town of Quintana has a minority population of 53%.

*Recommendations:*

- The FEIS should accurately determine whether minority and low-income populations are present that have the potential to be affected by the proposed project. The FEIS should include a map showing environmental justice populations near the proposed project so that stakeholders can easily understand their proximity.
- As potential environmental justice populations are identified, the FEIS should evaluate whether there are disproportionate high and adverse human health or environmental impacts on these populations and develop measures to address those impacts. EPA recommends that the FEIS use the methods outlined in the Council on Environmental Quality's guidance ("*Environmental Justice: Guidance under the National Environmental Policy Act*," December 1977)<sup>2</sup>.

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<sup>1</sup> EJView at <http://epamap14.epa.gov/ejmap/entry.html>

<sup>2</sup> *Environmental Justice: Guidance under the National Environmental Policy Act (December 1977)* at <http://energy.gov/nepa/downloads/environmental-justice-guidance-under-nepa>

## Indirect Effects

In addition to considering the direct impacts of a proposed action, NEPA requires that agencies also consider indirect effects where there is a reasonably close causal relationship between the action and the environmental effect. We recommend that the FEIS consider the extent to which it is reasonably foreseeable that the proposed project could increase the demand for domestic natural gas extraction, as well as potential environmental impacts associated with the potential increased production of natural gas. We recommend that the FEIS quantify all GHG emissions associated with the project, including those emissions associated with production, transportation and combustion of the natural gas. As with all analyses of indirect effects, we recommend that FERC establish reasonable spatial and temporal boundaries for the analysis of GHG emissions.

## Wetlands

While the DEIS references Freeport LNG's Compensatory Wetland Mitigation Plan, the plan is not included in the DEIS. The DEIS also indicates that updates to the Plan are being made in coordination with the US Army Corps of Engineers. We request that the final Plan be included in the FEIS and incorporated in the Record of Decision.

## Other Associated Plans

The DEIS references the Stormwater Pollution Prevention Plan and Spill Prevention, Control and Countermeasure plans; however, these plans are not included in the DEIS.

### *Recommendation:*

- The FEIS should incorporate the associated plans, including copies of or identifying accessible locations, for evaluation.